1		The Honorable Marsha J. Pechman
2		
3		
4		
5		
6		
7		
8 9	UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE	
10 11 12	BOILERMAKERS NATIONAL ANNUITY TRUST FUND, on behalf of itself and all others similarly situated,) NO. 2:09-CV-00037-MJP
13 14	Plaintiff, v.) FEDERAL DEPOSIT INSURANCE) CORPORATION'S REPLY BRIEF IN) SUPPORT OF MOTION TO) DISMISS FOR LACK OF SUBJECT
15 16 17 18	WAMU MORTGAGE PASS THROUGH CERTIFICATES, SERIES 2006-AR1, et al., Defendants.	 MATTER JURISDICTION Noted on Motion Calendar: March 6, 2009)
19 20 21 22 23 24 25 26 27	The Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank, a depository institution ("FDIC as Receiver"), through undersigned counsel, hereby files this reply brief in support of its motion to dismiss for lack of subject matter jurisdiction the claims of plaintiff Boilermakers National Annuity Trust Fund ("Boilermakers") against the FDIC as Receiver. Boilermakers' opposition to the FDIC as Receiver's motion to dismiss misapprehends the two fundamental points requiring dismissal.	
28		

FDIC REPLY ON MOTION TO DISMISS - 1 Cause No.: 2:09-CV-00037-MJP #701688 v1 / 30490-002

Law Offices

KARR TUTTLE CAMPBELL

2

3

6 7

5

9 10

8

111213

141516

17 18 19

2021

23

22

2425

2627

28

A. <u>Boilermakers Has Just Commenced the Administrative Process, Not Exhausted It.</u>

Boilermakers' opposition to the motion to dismiss announces that it has recently filed a proof of claim form and thereby "commenced the administrative claim review process with the Receiver, defendant FDIC." *See* Boilermakers Opposition to Motion to Dismiss at 1 & Declaration of Daniel Rohn at ¶ 2 & ex. A. Commencing the administrative claim review process is not the same as completing it, however. Boilermakers has not exhausted its administrative remedies, but merely started the process. The administrative review process is not complete until the FDIC has made a determination on the claim pursuant to 12 U.S.C. § 1821(d)(5).

B. This Court Does Not Have Subject Matter Jurisdiction over Boilermakers' Claims Against the FDIC

Boilermakers filed its lawsuit on or about January 12, 2009, well after the FDIC was appointed receiver for Washington Mutual Bank on September 25, 2008, and well before Boilermakers had even filed a claim in the FDIC receivership. As noted above, Boilermakers has not exhausted its administrative remedies. Accordingly, pursuant to the plain language of 12 U.S.C. § 1821(d)(13)(D), this Court lacks subject matter jurisdiction over Boilermakers' claims against the FDIC as Receiver of Washington Mutual Bank. As the Ninth Circuit Court of Appeals has explicitly and dispositively held: "Section 1821(d)(13)(D) strips all courts of jurisdiction over claims made outside the administrative procedures of section 1821." *Henderson v. Bank of New England*, 986 F.2d 319, 320 (9th Cir.), *cert. denied*, 510 U.S. 995 (1993).

Whether or not this action is consolidated with *New Orleans Employees' Retirement System and MARTA/ATU Local 732 Employees Retirement Plan v. Washington Mutual Bank, et al.*, No. C09-0134-RSM (the "New Orleans Action"), and regardless of whether this action or the New Orleans Action is stayed, Boilermakers' claims against the FDIC as Receiver are subject to mandatory administrative remedies and must be dismissed because the Court does not have subject matter jurisdiction over those claims.

1 **Prayer for Relief** 2 WHEREFORE, on the basis of the foregoing and all the reasons set forth in its motion 3 and the exhibits thereto, the FDIC as Receiver for Washington Mutual Bank respectfully 4 requests that the Court dismiss Boilermakers' claims against the FDIC for lack of subject 5 matter jurisdiction, together with such other and further relief deemed just and proper under 6 these circumstances. 7 DATED this 5th day of March, 2009. 8 Respectfully submitted, 9 KARR TUTTLE CAMPBELL 10 By: s/Walter E. Barton 11 Bruce E. Larson, WSBA #6209 12 Dennis H. Walters, WSBA #9994 Walter E. Barton, WSBA #26408 13 1201 3rd Avenue, Suite 2900 Seattle, WA 98101-3028 14 Email: blarson@karrtuttle.com 15 Email: dwalters@karrtuttle.com Email: gbarton@karrtuttle.com 16 Phone: (206) 224-8027 Fax: (206) 682-7100 17 18 Attorneys for Defendant Federal Deposit Insurance Corporation as 19 Receiver for Washington Mutual 20 Bank 21 Of Counsel: 22 Kevin P. Chavous (admitted *pro hac vice*) 23 Kenneth J. Pfaehler (admitted pro hac vice) Sonnenschein Nath & Rosenthal LLP 24 1301 K Street, NW, Suite 600 East Tower Washington, D.C. 20005 25 kchavous@sonnenschein.com 26 kpfaehler@sonnenschein.com Phone: (202) 408-6468 27 Fax: (202) 408-6399 28

FDIC REPLY ON MOTION TO DISMISS - 3 Cause No.: 2:09-CV-00037-MJP #701688 v1 / 30490-002

Law Offices

KARR TUTTLE CAMPBELL

Michael H. Barr (admitted pro hac vice) Sonnenschein Nath & Rosenthal LLP 1221 Avenue of the Americas, 24th Floor New York, New York 10020 mbarr@sonnenschein com Phone: (212) 768-6800 Fax: (212) 768-6800 Casile D. Davis (admitted pro hac vice) Sonnenschein Nath & Rosenthal LLP 7800 Sears Tower, 233 S. Wacker Drive Chicago, Illinois 60606 Idavi@sonnenschein com Phone: (312) 876-8000 Fax: (312) 876-7934 10	1	
1221 Avenue of the Americas, 24th Floor New York, New York 1020 mbarr@sonnenschein com Phone: (212) 768-6700 Fax: (212) 768-6800 Easi: D. Davis (admitted pro hac vice) Sonnenschein Nath & Rosenthal LLP 7800 Sears Tower, 233 S. Wacker Drive Chicago, Illinois 60606 Idavis@sonnenschein.com Phone: (312) 876-8000 Fax: (312) 876-7934	1	Michael H. Barr (admitted pro hac vice)
mbarr@sonnenschein.com Phone: (212) 768-6800 Easie D. Davis (admitted pro hac vice) Sonnenschein Nath & Rosenthal LL.P 7800 Sears Tower, 233 S. Wacker Drive Chicago, Illinois 60606 Idavis@sonnenschein.com Phone: (312) 876-8000 Fax: (312) 876-7934	2	1221 Avenue of the Americas, 24th Floor
Phone: (212) 768-6700 Fax: (212) 768-6800	3	
Leslie D. Davis (admitted pro hac vice) Sonnenschein Nath & Rosenthal LLP 7800 Sears Tower, 233 S. Wacker Drive Chicago, Illinois 60606 Idavis@sonnenschein.com Phone: (312) 876-8000 Fax: (312) 876-7934 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	4	Phone: (212) 768-6700
Somenschein Nath & Rosenthal LLP 7800 Sears Tower, 233 S. Wacker Drive Chicago, Illinois 60606 Idavis@somenschein.com Phone: (312) 876-8000 Fax: (312) 876-7934	5	
7800 Sears Tower, 233 S. Wacker Drive Chicago, Illinois 60606 Idavis@sonnenschein.com Phone: (312) 876-8000 Fax: (312) 876-7934 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	6	
Idavis@sonnenschein.com	7	7800 Sears Tower, 233 S. Wacker Drive
Fax: (312) 876-7934 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	8	ldavis@sonnenschein.com
10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	9	
12	10	(612) 676 756 1
13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	11	
14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	12	
15 16 17 18 19 20 21 22 23 24 25 26 27 28	13	
16 17 18 19 20 21 22 23 24 25 26 27 28	14	
17 18 19 20 21 22 23 24 25 26 27 28	15	
18 19 20 21 22 23 24 25 26 27 28	16	
19 20 21 22 23 24 25 26 27 28	17	
20 21 22 23 24 25 26 27 28	18	
21 22 23 24 25 26 27 28	19	
22 23 24 25 26 27 28	20	
23 24 25 26 27 28	21	
24 25 26 27 28	22	
25 26 27 28	23	
26 27 28	24	
27 28	25	
28	26	
11	27	
	28	

FDIC REPLY ON MOTION TO DISMISS - 4 Cause No.: 2:09-CV-00037-MJP #701688 v1 / 30490-002

1	DECLARATION OF SERVICE	
2	I hereby certify that on March 5, 2009, I electronically filed the foregoing with the	
3	Clerk of the Court using the CM/ECF system which will send notification of such filing to the	
4	following:	
5	HAGENS BERMAN SOBOL SHAPIRO LLP 1301 Fifth Avenue, Suite 2900 Seattle, WA 98101 Phone: 206-623-7292 Fax: 206-623-0594 Steve W. Berman, WSBA #12536 steve@hbsslaw.com Reed R. Kathrein	
6		
7		
8		
9		
10	reed@hbsslaw.com	
11	SCHOENGOLD SPORN LAITMAN & LOMETTI, P.C.	
12	19 Fulton Street, Suite 406 New York, NY 10038 Phone: 212-964-0046 Fax: 212-267-8137	
13		
14	Joel P. Laitman	
15	joel@spornlaw.com Christopher E. Lometti	
16	chris@spornlaw.com Frank R. Schirripa	
17	frank@spornlaw.com	
18	Daniel B. Rehns daniel@spornlaw.com	
19		
20	Counsel for Plaintiff and the Proposed Class	
21	HILLIS CLARK MARTIN & PETERSON, P.S.	
22	500 Galland Building, 1221 Second Ave. Seattle, WA 98101	
23	Phone: 206-623-1745	
24	Fax: 206-623-7789 Louis D. Peterson, WSBA #5776	
25	ldp@hcmp.com	
26		
27		
28		

FDIC REPLY ON MOTION TO DISMISS - 5 Cause No.: 2:09-CV-00037-MJP #701688 v1 / 30490-002

Law Offices

KARR TUTTLE CAMPBELL

1	BINGHAM McCUTCHEN LLP		
2	Three Embarcadero Center		
	San Francisco, CA 94111 Phone: 415-393-2000		
3	Fax: 415-393-2286		
4	David M. Balabanian		
5	david.balabanian@bingham.com John D. Pernick		
6	john.pernick@bingham.com Frank Busch		
7	frank.busch@bingham.com		
8	Attorneys for Defendants WaMu Asset Acceptance Corporation,		
9	Washington Mutual Mortgage Securities Corporation, WaMu Capital Corporation, David Beck,		
10	Richard Careaga, Rolland Jurgens and Diane Novak		
11			
12			
13	s/Walter E. Barton Bruce E. Larson, WSBA #6209		
14	Dennis H. Walters, WSBA #9994		
	Walter E. Barton, WSBA #26408		
15	Karr Tuttle Campbell		
16	Attorneys for Defendant Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank		
17	1201 3 rd Avenue, Suite 2900 Seattle, Washington 98101-3028		
18	Email: blarson@karrtuttle.com, Phone: (206) 224-8027		
19	Email: dwalters@karrtuttle.com, Phone: (206) 224-8018 Email: gbarton@karrtuttle.com, Phone: (206) 224-8030		
20	Fax: (206) 682-7100		
21			
22			
23			
24			
25			
26			
27			
28			

FDIC REPLY ON MOTION TO DISMISS - 6 Cause No.: 2:09-CV-00037-MJP #701688 v1 / 30490-002